

MONTANA LEGISLATIVE HISTORY

Chapter 583 19 89

Bill H _____ S 429 Original bill & history ☒ C

H. Committee on Labor + Employment Relations S. Committee on Business + Industry

Hearing Date(s) Mar 16 ☒ C

Hearing Date(s) Feb 15 ☒ C

No minutes were
located re action
taken

_____ C

_____ C

_____ C

Date Out _____ C

Feb 15 ☒ C

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

2/16 FISCAL NOTE REQUESTED
 2/17 HEARING
 2/17 COMMITTEE REPORT--BILL PASSED AS AMENDED
 2/20 2ND READING PASSED 41 7
 2/21 3RD READING PASSED 46 4

TRANSMITTED TO HOUSE
 2/27 FISCAL NOTE RECEIVED
 2/28 REFERRED TO LABOR & EMPLOYMENT RELATIONS
 3/09 FISCAL NOTE RECEIVED
 3/10 FISCAL NOTE PRINTED
 3/16 HEARING
 3/16 FISCAL NOTE REQUESTED
 WITH PROPOSED AMENDMENTS
 3/16 FISCAL NOTE RECEIVED
 3/17 FISCAL NOTE PRINTED
 3/22 COMMITTEE REPORT--BILL CONCURRED AS AMENDED
 3/28 2ND READING CONCURRED AS AMENDED 67 29
 3/29 3RD READING CONCURRED 85 11

RETURNED TO SENATE WITH AMENDMENTS
 4/04 2ND READING AMENDMENTS CONCURRED 48 1
 4/06 3RD READING AMENDMENTS CONCURRED 46 1

4/13 SIGNED BY PRESIDENT
 4/17 SIGNED BY SPEAKER
 4/18 TRANSMITTED TO GOVERNOR
 4/21 SIGNED BY GOVERNOR
 CHAPTER NUMBER 613
 EFFECTIVE DATE: 04/21/89 (S3, 7, 39, 60-65)
 SECTIONS 1, 2, 4-6, 8-38, 40-59 OF
 CH. 613 (SB 428) ARE EFFECTIVE UPON
 SIGNING OF THE EXECUTIVE ORDER UNDER
 SECTION 63 OR ON JANUARY 1, 1990,
 WHICHEVER OCCURS FIRST.

SB 429 INTRODUCED BY THAYER, ET AL.
 PROVIDE EMPLOYER MAY WITHHOLD WAGES FROM EMPLOYEE
 CHARGED WITH THEFT
 BY REQUEST OF SENATE BUSINESS & INDUSTRY COMMITTEE

2/15 INTRODUCED
 2/15 HEARING
 2/15 REFERRED TO BUSINESS & INDUSTRY
 2/15 COMMITTEE REPORT--BILL PASSED
 2/17 2ND READING PASSED 38 0
 2/20 3RD READING PASSED 50 0

TRANSMITTED TO HOUSE
 2/21 REFERRED TO LABOR & EMPLOYMENT RELATIONS
 3/16 HEARING
 3/22 COMMITTEE REPORT--BILL CONCURRED AS AMENDED
 3/28 2ND READING CONCURRED 96 1
 3/29 3RD READING CONCURRED 94 1

RETURNED TO SENATE WITH AMENDMENTS
 4/03 2ND READING AMENDMENTS CONCURRED 50 0
 4/05 3RD READING AMENDMENTS CONCURRED 49 0

4/13 SIGNED BY PRESIDENT

SENATE FINAL STATUS

4/17 SIGNED BY SPEAKER
 4/18 TRANSMITTED TO GOVERNOR
 4/20 SIGNED BY GOVERNOR
 CHAPTER NUMBER 583 EFFECTIVE DATE: 10/01/89

SB 430 INTRODUCED BY THAYER, ET AL. REDUCE WORKERS' COMPENSATION BENEFITS

2/15 INTRODUCED
 2/15 REFERRED TO LABOR & EMPLOYMENT RELATIONS
 2/16 HEARING
 2/16 COMMITTEE REPORT--BILL PASSED
 2/16 FISCAL NOTE REQUESTED
 2/18 2ND READING PASSED 29 21
 2/20 FISCAL NOTE RECEIVED
 2/20 FISCAL NOTE PRINTED
 2/21 3RD READING PASSED 27 23

TRANSMITTED TO HOUSE
 2/28 REFERRED TO LABOR & EMPLOYMENT RELATIONS
 3/21 HEARING
 3/22 Tabled in COMMITTEE

SB 431 INTRODUCED BY GAGE, ET AL. REQUIRE DEPARTMENT OF JUSTICE TO LICENSE, REGULATE PUBLIC GAMBLING BY REQUEST OF DEPARTMENT OF JUSTICE

2/15 INTRODUCED
 2/15 REFERRED TO JUDICIARY
 2/16 FISCAL NOTE REQUESTED
 2/17 HEARING
 2/17 COMMITTEE REPORT--BILL PASSED AS AMENDED
 2/20 REREFERRED TO JUDICIARY
 2/27 FISCAL NOTE RECEIVED
 2/28 FISCAL NOTE PRINTED
 2/28 HEARING
 3/02 COMMITTEE REPORT--BILL PASSED AS AMENDED
 3/06 2ND READING PASSED AS AMENDED 36 14
 3/08 3RD READING PASSED 33 16

TRANSMITTED TO HOUSE
 3/13 REFERRED TO JUDICIARY
 3/23 HEARING
 4/06 HEARING
 4/10 COMMITTEE REPORT--BILL CONCURRED AS AMENDED
 4/12 2ND READING CONCURRED AS AMENDED 90 9
 4/13 3RD READING CONCURRED 92 8

RETURNED TO SENATE WITH AMENDMENTS
 4/15 2ND READING AMENDMENTS NOT CONCURRED 47 0
 4/17 FREE CONFERENCE COMMITTEE APPOINTED
 4/21 FREE CONFERENCE COMMITTEE REPORT NO. 1
 4/21 2ND READING FREE CONFERENCE COMMITTEE
 REPORT NO. 1 ADOPTED 40 8
 4/21 3RD READING FREE CONFERENCE COMMITTEE
 REPORT NO. 1 ADOPTED 43 7

HOUSE
 4/18 FREE CONFERENCE COMMITTEE APPOINTED

SENATE BILL NO. 429

INTRODUCED BY THAYER, MEYER, MCLANE, HAGER, NOBLE,
WILLIAMS, WEEDING, LYNCH

BY REQUEST OF THE COMMITTEE ON BUSINESS AND INDUSTRY

IN THE SENATE

FEBRUARY 15, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 16, 1989	PRINTING REPORT.
FEBRUARY 17, 1989	SECOND READING, DO PASS.
	ENGROSSING REPORT.
FEBRUARY 20, 1989	THIRD READING, PASSED. AYES, 50; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 21, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON LABOR & EMPLOYMENT RELATIONS.
FEBRUARY 21, 1989	FIRST READING.
MARCH 22, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
MARCH 28, 1989	SECOND READING, CONCURRED IN.
MARCH 29, 1989	THIRD READING, CONCURRED IN. AYES, 94; NOES, 1.
	RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 3, 1989

RECEIVED FROM HOUSE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 5, 1989

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senate* BILL NO. *429*
 2 INTRODUCED BY *House* *Ally Hager*
 3 BY REQUEST OF THE COMMITTEE ON BUSINESS AND INDUSTRY
 4 *Ally Hager*

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A STAY OF THE
 6 PAYMENT OF FINAL WAGES DUE AN EMPLOYEE WHO HAS COMMITTED
 7 THEFT OF HIS EMPLOYER'S PROPERTY; AND AMENDING SECTION
 8 39-3-205, MCA."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 39-3-205, MCA, is amended to read:

12 "39-3-205. Payment of wages when employee separated
 13 from employment prior to payday -- exception. (1) Except as
 14 provided in subsections (2) and (3), whenever any
 15 when an employee is separated from the employ of any
 16 employer, all the unpaid wages of such the employee shall
 17 become are due and payable within 3 days, except for
 18 employees of the state of Montana and its political
 19 subdivisions who would be paid on the next regular payday
 20 for the pay period during which the employee was separated
 21 from employment or 15 days from the date of separation from
 22 employment, whichever occurs first, either through the
 23 regular pay channels or by mail if requested by the
 24 employee. However, where if an employer's payroll checks
 25 originate at an office outside the state, the time provided

1 herein in this section for payment of wages shall must be
 2 extended for 3 additional days.

3 (2) When Except as provided in subsection (3), if an
 4 employee is separated for cause from employment by the
 5 employer, all the unpaid wages of the employee shall--become
 6 are due and payable immediately upon such the separation.

7 (3) If an employee is separated from employment by the
 8 employer because the employee has committed the offense of
 9 theft of the employer's funds or property and criminal
 10 charges have been filed by the county attorney against the
 11 employee, the employer may apply to the district court for
 12 an order temporarily staying the payment of any unpaid wages
 13 due the employee and staying the running of the penalty
 14 provided for in 39-3-206 pending the final resolution of
 15 criminal proceedings against the employee. If the employee
 16 pleads or is found guilty of the criminal offense, the
 17 district court may order any wages due and owing to the
 18 employee by the employer to be offset against the amount the
 19 employee illegally obtained from the employer."

-End-

HEARING ON SENATE BILL 429

Presentation and Opening Statement By Sponsor: Senator Thayer, Senate District 19, said SB 429 was a committee bill. He said they had a situation where they found that even if someone had committed a felony, by stealing from their employer, the law required that the employer did not withhold their final wages, or any wages pending. He said this bill, as written, allowed the court to make that decision, so you can withhold payment until that person had either been convicted or cleared. He said it was just an amendment missing from the law.

List of Testifying Proponents: None

List of Testifying Opponents: None

Questions From the Committee: None

Closing by Sponsor: Senator Thayer closed the hearing.

DISPOSITION OF SENATE BILL 429

Discussion: None

Amendments and Votes: None

Recommendation and Vote: Senator Williams made a motion SB 429 DO PASS. The motion was seconded by Senator Noble. The motion Carried Unanimously.

HEARING ON SENATE JOINT RESOLUTION 13

Presentation and Opening Statement by Sponsor: Senator Meyer, Senate District 17, stated SJR 13 was a committee bill which supported, commended, and approved projects that promoted recycling and litter abatement. He said, "Basically that is what this bill does."

List of Testifying Proponents and What Group They Represent:

None

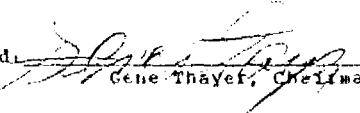
SENATE STANDING COMMITTEE REPORT

February 15, 1989

MR. PRESIDENT:

We, your committee on Business and Industry, having had under consideration SB 429 (first reading copy -- white), respectfully report that SB 429 do pass.

DO PASS

Signed: 
Gene Thayer, Chairman

4.6.
2115189
5:pm.
SCRSB429.215

record and you can penalize those employers who refuse to do that. The assigned risk pool may never be needed if this provision works. I urge the committee to adopt the amendments I offered.

It is certainly not the intention of this bill to have any wholesale firing of people, it is merely to set it up like a private company, run it like a private company, and give the new management team the flexibility to move some people around and do what they think has to be done in order to achieve a better system in the future.

Rep. Thomas will carry this bill on the House floor should it pass this committee.

- - - - -
HEARING ON SB 429

Presentation and Opening Statement by Sponsor:

SEN. THAYER: This bill was put together as a committee bill in Business and Industry prompted by a situation that occurred in Great Falls. I am reluctant to tell you, but it did happen in my own company up there. We had an employee who was embezzling funds from the company and came in and confessed. The arrest was made and the county attorney is prosecuting the case.

It turns out that there is a quirk in the state law that requires that even though somebody has stolen funds from a person or company, you do not have the right to withhold the last check or any money that might be due them for unused vacation time or that sort of thing. The person would be paid if he/she was acquitted or found not guilty of taking the funds. If they are found guilty, then that money can be kept as part of the restitution. The company would be going after whatever assets the person had anyway so this would be part of it.

That's all the bill does.

Testifying Proponents and Who They Represent:

CHARLES BROOKS, Montana Retail Association.

JIM MURRY, Executive Secretary of the Montana State AFL-CIO.

Proponent Testimony:

CHARLES BROOKS, proponent. We support SB 429. The retail industry with the large amount of cash and merchandise handled on a daily basis has above average exposure to theft of cash and merchandise by their employees, although we have many programs in force to prevent that from happening,

it does happen. We feel this proposed legislation gives a needed option to the employer, at least a partial recovery of the losses of cash and merchandise. We also see in this proposed legislation some built-in protection for the employee. I would also like to add that as the chief operating officer of a small chain of general merchandise stores I have been faced many times with this issue and it was very frustrating to turn over the final paycheck and not be able to recover your losses. We have experienced this many times. We do urge your passage of SB 429

JIM MURRY, proponent. I wanted to testify on this bill because somehow there has been the feeling that perhaps the AFL-CIO was opposed to the legislation and we really have no problems with it as long as the provisions requiring the filing of criminal charges are kept in the bill. Otherwise we feel that the legislation could be used by a few unscrupulous employers to withhold wages based on some trumped up charge against a worker. As long as the bill stays as it is written we do not oppose it.

Testifying Opponents and Who They Represent:

None.

Opponent Testimony:

None.

Questions From Committee Members:

KILPATRICK: Question for Sen. Thayer. If an employee is accused of stealing, and he is found not to be guilty, does he get his pay check, plus interest?

THAYER: I don't think we addressed interest. The money would be put in escrow pending the outcome of the case. It would be my expectation that the money would always revert back. It wouldn't happen unless there was a real bona fide case involved, so I don't think that you need to be concerned that they would have interest coming. If you wanted to put that in the bill, I have no objection to it.

Closing by Sponsor:

SEN. THAYER: It has been a long day, I close.

Sen. Simpkins will carry this bill on the House floor should it pass this committee.

VISITORS' REGISTER

House Labor

COMMITTEE

BILL NO.

SB 429

DATE _____

3-16-89

SPONSOR

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.